

**MONITORING, VERIFICATION AND EVALUATION UNIT
AGRICULTURAL POLICY REFORM PROGRAM**

**WORKPLAN FOR YEAR 2
(January - December, 1998)**

March, 1998

Sponsored by:

Government of Egypt, Ministry of Agriculture and Land Reclamation

**United States Agency for International Development/Cairo
Office of Economic Growth, Agricultural Policy Division**

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Environmental Quality International, Management Systems International
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MVE TASKS AND THE ORGANIZATION OF THIS WORKPLAN

The categories presented below (Verification, Impact Assessment, Monitoring, Special Studies, General/Management) are used to organize this workplan. At the end of this document, there is a more formal concordance between the categories of the workplan and the tasks listed in the contract.

Verification

Verification consists of the analysis of accomplishment by the GOE of the policy reforms agreed to in MOUs by the GOE and USAID. Verification requires the submission of a plan and a final report on accomplishment. Usually this is done once per year. In tranche I there were two verification reports, because some of the benchmarks were not accomplished by their original deadline and were held over for accomplishment soon after that.

Impact Assessment¹

Impact assessment is an attempt to measure the effect of APRP on the agricultural sector, and where feasible, on somewhat more macroeconomic variables. In general this will require baseline surveys to be carried out and then repeated near the end of the program. Some other APRP units, like FSRU, are engaged in similar work, so the MVE Unit will coordinate closely with these units to ensure the maximal use of all data, starting from the design phase when possible. MVE will use a mixture of subsector analysis (structure, conduct, performance), other studies, and more formal economic models to measure the impact of APRP.

MVE would like to be able to use the Egypt Agricultural Sector Model (EASM) for impact analysis. At this time, this model is under review by Dr. John Keith of the EPIQ team. Based on the results of his review, MVE may commit resources to further improvement of this model. The CGE model developed by IFPRI is appropriate for use on economy-wide issues like food subsidies and for cross-sectoral impact analysis. The former has been initiated by IFPRI, and the latter is not a major objective of MVE. MVE is seriously considering developing a multi-market agricultural sector model. A SOW for such an activity would only be developed after careful consideration of the required data, their quality and availability, and of the time and effort required to construct and use the model.

Monitoring

The APRP monitoring program to be set up by MVE will be a program of periodic analysis based on a set of indicators agreed to by the different units of the program. The attempt here is to measure the ongoing progress of the program in a faster and less precise way. The indicators are

¹Impact Assessment is referred to as “evaluation” in the contract and in the acronym, MVE. “Impact assessment is a more accurate description of what is intended and is preferred to avoid other interpretations of “evaluation” in the context of contracts with USAID.

likely to measure variables that are easy to calculate but not necessarily the final impacts of the program. They are more likely to be indicators of policy reform than of the impact of that reform. One example is a nominal protection coefficient. If trade is liberalized, the NPC will move toward a value of one, but the impact may or may not be felt immediately.

Special Studies

Special studies are proposed by any unit in APRP, the GOE, or by USAID and carried out by the MVE Unit. They may address any topic relevant to the agricultural policy reform program. These studies should provide insights or recommendations for improving the program or for better understanding its impacts. Some of the areas that may be relevant for study under this category are privatization, liberalization, targeting of subsidies, and rationalization of irrigation water use.

General/Management

This final category includes the processes that are necessary to make the MVE Unit succeed and to fulfill its contractual obligations. Included are workplans, quarterly reports and similar functions.

PLANNED ACTIVITIES

Task	Start date	End date	Staffing/ Responsibility	Comments
VERIFICATION Approximate level of effort (long-term and short-term): 22 person-months				
Complete verification report for remaining benchmarks of tranche I	Dec/97	Jan/98	LTТА/COP	
Complete verification plan for benchmarks of tranche II		Feb/98	LTТА/COP	Indicators for PBDAC benchmark not finalized as of end Apr/98.
Field work for verification of tranche II	Oct/97	Jun/98	LTТА	Some field work for tranche I will contribute to verification of tranche II .
Complete verification report for tranche II		Jul/98	LTТА/COP	
Participate in formulation of benchmarks and indicators for tranche III	Mar/98	Aug/98	LTТА	Schedule determined in APRP retreat of end Feb/98.
Draft verification plan for tranche III	Sep/98	Oct/98	AM/LTТА	
Complete verification plan for tranche III		Oct/98	LTТА/COP	
Begin field work for verification of tranche III		Oct/98	LTТА/AM	Timing depends on nature of benchmarks.

Task	Start date	End date	Staffing/ Responsibility	Comments
IMPACT ASSESSMENT Approximate level of effort (long-term and short-term): 44 person-months				
Finalize impact assessment plan	Jan/98	Mar/98	JH/GE	Key input into workplan.
Assessment of MALR data availability, quality, and usability	Mar/98	May/98	STTA/MF	The analysis will cover data on cost of production and prices, generally at district level and above. Existing data on farm income and agricultural national income will also be reviewed briefly. The product will be a report analyzing the available data and their suitability for use in various analyses, including total factor productivity and the EASM. Any new data collection in this activity would be on a very limited basis for comparison purposes only. The objective is to assess existing data.
Construction of commodity prices database	Mar/98	May/98	MF, RA/JH	Collaborative effort with AERI and CAAE; MTA, CAPMAS data?
Subsector baseline study - cotton	Feb/98	Apr/98	JH/STTA/AM	These studies will examine subsector organization, marketing margins, processing costs and efficiency, and subsector performance for the 1996-97 baseline year. Timing is set to allow for IFPRI's completion of several closely related deliverables before finalizing SOW of subsector baseline.
Subsector baseline study - fertilizer	May/98	Jul/98	STTA/GE	
Subsector baseline study - wheat	Oct/98	Dec/98	STTA/GE-MF	
Subsector baseline study - rice	Mar/98	Jun/98	STTA/JH	

Task	Start date	End date	Staffing/ Responsibility	Comments
Evaluation of the IFPRI EIHS production data and, if adequate, use of the data to estimate producer supply elasticities, allocative efficiency, factor productivity and construct input-output data for the EASM.	Mar/98	May/98	STTA/MF	The assessment and analysis of data will be an important input into development of a multi-market model. It will also help to guide the design of further producer surveys.
MONITORING Approximate level of effort (long-term and short-term): 10 person-months				
Develop draft indicators for discussion in workshop	Apr/98	May/98	STTA/GE	STTA will interview selected APRP, USAID & GOE staff.
Participate in APRP workshop to define indicators and determine roles of USAID, MVE (and possibly RDI, FSR, and EPIQ) in calculating indicators for SO1 and APRP.		Jun/98	LTTA/STTA	
Develop monitoring plan	June/98	Oct/98	LTTA/GE	Depends on workshop outcome.
Implement monitoring plan	Nov/98		STTA/GE	Depends on workshop outcome.

Task	Start date	End date	Staffing/ Responsibility	Comments
SPECIAL STUDIES Approximate level of effort (long-term and short-term): 8 person-months				
Special study on cotton grading	Sep/98	Jan/99	AM/JH	Likely collaboration with GTZ; grading issues include technical and institutional problems as well as the critical link between grades and price differentials.
Sequencing of privatization and liberalization in the cotton subsector: lessons learned from experience in Egypt, with recommendations for future reform efforts	Sep/98	Jan/99	STTA/JH	This political economy study will identify major stakeholders, their perspectives and incentives, and the outcome of the push and pull of competing groups.
Productivity analysis	Nov/98	Dec/98	STTA/MF	Details of the SOW are to be worked out with COTR and USAID colleagues. Study will feed into R4.
GENERAL AND MANAGEMENT Approximate level of effort (long-term): 8 person-months				
Draft workplan and solicit comments	Dec/97	Feb/98	LTTA	
Submit revised workplan to PPC for approval		Mar/98	COP	
Submit revised workplan to USAID for approval		Mar/98	COP	Coincidence of Ramadan with finalization of tranche I verification, annual report, and development of annual workplan has delayed workplan approval.
Decide on milestones for annual contractor performance report	Apr/98	Apr/98	COP	After approval of workplan
Produce quarterly and annual performance reports	Jan/98	Oct/98	COP	

POTENTIAL ACTIVITIES

If time and resources permit, MVE would like to undertake the following activities. Implementations of some of these activities will depend on coordination with, and the availability of resources in, other APRP units or on the as yet unknown availability of data.

Task	Staffing/ Responsibility	Comments
Improvement of collection, updating, and analysis of supply-use ("food balance") data	STTA/MF, GE	MVE may collaborate with the CAAE.
Collaboration with EPIQ and GreenCOM to develop impact assessment activities relevant to reforms of water policies	MF/GE	Formulation of impact assessment measures depends in large part on MPWWR implementation of policy reform (not just formulation of strategies or plans).
Contribute to ongoing development of agricultural sector model	MF/GE	RDI undertook documentation of the model. MVE has taken part in discussions of model implementation and use. John Keith/EPIQ, who is familiar with GAMS, is currently reviewing the model structure. Model has not been validated and has a serious problem with the rice area constraint. MVE contribution depends on Keith assessment and agreement in APRP on further model development.
Development and use of multi-market model	STTA/JH	Depends on availability of data and elasticities.
Total factor productivity analysis	MF/GE	Depends on whether required data are available.

Abbreviations:

AM	Adel Mostafa	PR	Performance report(s)
COP	Chief of party	PPC	Program Planning Committee
GE	Gary Ender	RA	Research Assistant
JH	John Holtzman	RDI	Reform Design and Implementation Unit
LTTA	Long-term technical assistance team	STTA	Short-term technical assistance personnel
MF	Morsy Fawzy		

ATTACHMENT: DISTRIBUTION OF CONTRACT TASKS AMONG WORKPLAN CATEGORIES

Contract Task	Interpretation for Workplan	Will this task appear in the workplan?
Monitoring		
(2) Provide advice to the PPC and USAID on the formulation of MOU policy benchmarks which can be adequately monitored, verified, and evaluated.	Provided by LTTA as necessary during benchmark formulation; not a discrete task for the workplan; will be reported on in performance reports.	No
(3) Advise the Task Forces on the monitoring and evaluation of alternative approaches to the alleviation of policy constraints; provide specialized, short-term technical assistance in monitoring and evaluation as needed.	Advise the TFs: Provided by LTTA as necessary; not a discrete task for the workplan; will be reported on in performance reports. TA: will be provided as requested	Advice: No TA: Yes (when requested)
(4) Present economic and technical information in an effective manner (e.g., through policy seminars, workshops, meetings, reports, executive summaries) to the PPC and decision-makers to facilitate the making of public policy.	This is a standard for all our reports and communications; not a discrete task for the workplan	No
(5) Establish and implement a process for monitoring, verifying and reporting on the GOE's performance in carrying out and achieving MOU policy benchmarks (see section F.3.d). This shall include, as necessary, performing analyses and studies related to the monitoring and verification of policy benchmarks to confirm their continuing appropriateness (see budget plug figure under C.5).	Monitoring process is still under discussion. Indicators to be monitored have not been agreed upon. Workplan will thus include indefinite tasks.	Yes (indefinite)
???(6) Develop, identify, monitor, evaluate and report annually on (a) basic indicators of progress in achieving APR Project results, (b) the Results for USAID's Strategic Objective #1 (see Section H.13.) and (c) indicators of progress in achieving the contractor's major tasks (C.2., 1-8).	Indicators for APRP have not been agreed upon. USAID calculates indicators for SO1. COTR evaluates contractor performance annually; does MVE need to provide indicators of its own performance for the COTR, or does the USAID format for evaluation suffice?	Indefinite task to develop indicators for APRP?
(8) Assist in the design and perform the monitoring and evaluation of local-currency-funded project-like activities in support of implementing policy reforms.	No such activities have been agreed upon yet. Will be reported on in performance reports.	No (Amend workplan if necessary)

Contract Task	Interpretation for Workplan	Will this task appear in the workplan?
Verification		
(2) Provide advice to the PPC and USAID on the formulation of MOU policy benchmarks which can be adequately monitored, verified, and evaluated.	Provided by LTТА as necessary during benchmark formulation; not a discrete task for the workplan; will be reported on in performance reports.	No
(4) Present economic and technical information in an effective manner (e.g., through policy seminars, workshops, meetings, reports, executive summaries) to the PPC and decision-makers to facilitate the making of public policy.	This is a standard for all our reports and communications; not a discrete task for the workplan	No
(5) Establish and implement a process for monitoring, verifying and reporting on the GOE's performance in carrying out and achieving MOU policy benchmarks (see section F.3.d). This shall include, as necessary, performing analyses and studies related to the monitoring and verification of policy benchmarks to confirm their continuing appropriateness (see budget plug figure under C.5).	There is a process established, including the verification plan for each tranche. MVE will also carry out studies of the verification process as called for.	Yes
Impact Assessment		
(2) Provide advice to the PPC and USAID on the formulation of MOU policy benchmarks which can be adequately monitored, verified, and evaluated.	Provided by LTТА as necessary during benchmark formulation; not a discrete task for the workplan; will be reported on in performance reports.	No
(4) Present economic and technical information in an effective manner (e.g., through policy seminars, workshops, meetings, reports, executive summaries) to the PPC and decision-makers to facilitate the making of public policy.	This is a standard for all our reports and communications; not a discrete task for the workplan	No
(7) Conduct policy and APRP Program impact analyses (see budget plug figure under C.5).	These are the impact assessment activities, although MVE will carry most of them out under the regular budget of the contract. The Special Studies budget will be used for whatever studies are agreed to by USAID and the contractor, including impact assessment.	Yes

Contract Task	Interpretation for Workplan	Will this task appear in the workplan?
(8) Assist in the design and perform the monitoring and evaluation of local-currency-funded project-like activities in support of implementing policy reforms.	No such activities have been agreed upon yet. Will be reported on in performance reports.	No (Amend workplan if necessary)
Special Studies		
(4) Present economic and technical information in an effective manner (e.g., through policy seminars, workshops, meetings, reports, executive summaries) to the PPC and decision-makers to facilitate the making of public policy.	This is a standard for all our reports and communications; not a discrete task for the workplan	No
(7) Conduct policy and APRP Program impact analyses (see budget plug figure under C.5).	These are the impact assessment activities, although MVE will carry most of them out under the regular budget of the contract. The Special Studies budget will be used for whatever studies are agreed to by USAID and the contractor, including impact assessment.	Yes
Management/General		
(1) Develop annual workplans in collaboration with the PPC and USAID and submit them to the PPC chairman and USAID/AGR/ACE Project Officers for approval.	In addition to workplans, MVE will develop and submit for approval by the PPC verification plans for each tranche.	Yes